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GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Agricultural & Marketing Department – Procurement of Red Gram 2017-18- Claim and adjust the loss amount of Rs.113.83 Crs against the advance amount released from Marketing Dept Fund –Approved - Orders - Issued.

AGRICULTURE & COOPERATION (MKTG.III) DEPARTMENT

G.O.Rt.No.158 Dated:06-03-2023

Read the following:

1. G.O. Rt. No.33, Agri & Coop (Mktg. II) Dept., dated 20.03.2018
2. From the M.D.,A.P.Markfed, Vijayawada letter No.Rc.No.P&M/Red Gram/MSP/2017-18,dt:06.2022.

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ORDER:

In the G.O. 1st read above orders were issued for procurement of Redgram by the State Government through A.P. MARKFED under State pool. Any loss, incurred in such transaction viz., procurement expenses and difference between the economic cost and disposal by A.P. MARKFED shall be borne by the State Government.

2. In the letter 2nd read above the Managing Director, AP Markfed , Vijayawada has informed that the AP Markfed procured 1,07,604.10 MTs of Redgram, out of which a quantity of 97,009 MTs diverted to APSCSCL for distribution under PDS to Card holders. Further in pursuance to the Minutes of the State Level Disposal Committee meeting regarding sale, the decision was taken to dispose the balance procured Redgram stocks through e-auction platforms. A decision was taken to offer the quantities to the highest price quoted through e-auction platforms for fair price discovery. The average H1 price received through e-auction platforms was Rs.5019.90 per Qtl and total deliveries were completed. On completion of deliveries, the entire transaction was audited. As per the audit report the total acquisition cost is Rs.653.99 crores and sale proceeds realized are Rs. 540.16 crores. As per audit report, the loss incurred in this transaction is Rs.113,83,08,613/-. The AP Markfed has received an amount of Rs. 275 crores from Agricultural Marketing Dept., towards purchase of Redgram under MSP during 2017-18. As per the audit statement, the losses reported in this transaction towards Redgram is Rs. 113,83,08,613/-.

3. The Managing Director, A.P.Markfed, Vijayawada has therefore, requested to claim and adjust the loss amount of Rs.113.83 Crs against the advance amounts released from the Marketing Dept Funds by issuing suitable orders.

4. Government, after careful examination of the matter, hereby agreed the proposal to approve the claim and adjust the loss amount of Rs.113.83 Crs against the advance amount released from Price Stabilization Fund by Agricultural Marketing Department.

5. The Managing Director, A.P. State Cooperative Marketing Federation Ltd., Vijayawada shall take necessary action in the matter.

6. This order issues with the concurrence of Finance (C&DM) Department vide their Fin.U.O.No. FMU0ASD(AC)/89/2022- FMU-AC-CS-AH, (C.No: 1829446), dt:13.01.2023.

CHIRANJIV CHOUDHARY IFS
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Managing Director, AP MarkFed, Vijayawada.
Copy to:-
The Commissioner & Director of Agricultural Marketing, A.P., Guntur.
PS to Hon'ble Minister for Agri. & Coop.
Prl.Secy. to Govt. (AM&C), Agril. & Coop. Dept.
Sf/Sc.

//FORWARDED::BY::ORDER//

P. Subhadra
SECTION OFFICER